

EXHIBIT C

Q1 2018 XRP Markets Report

7 MIN READ • MIGUEL VIAS

APR 25, 2018

To continue to provide transparency to the XRP ecosystem globally, we share regular updates on the state of the market, including quarterly sales, relevant XRP-related announcements and commentary on previous quarter market developments.

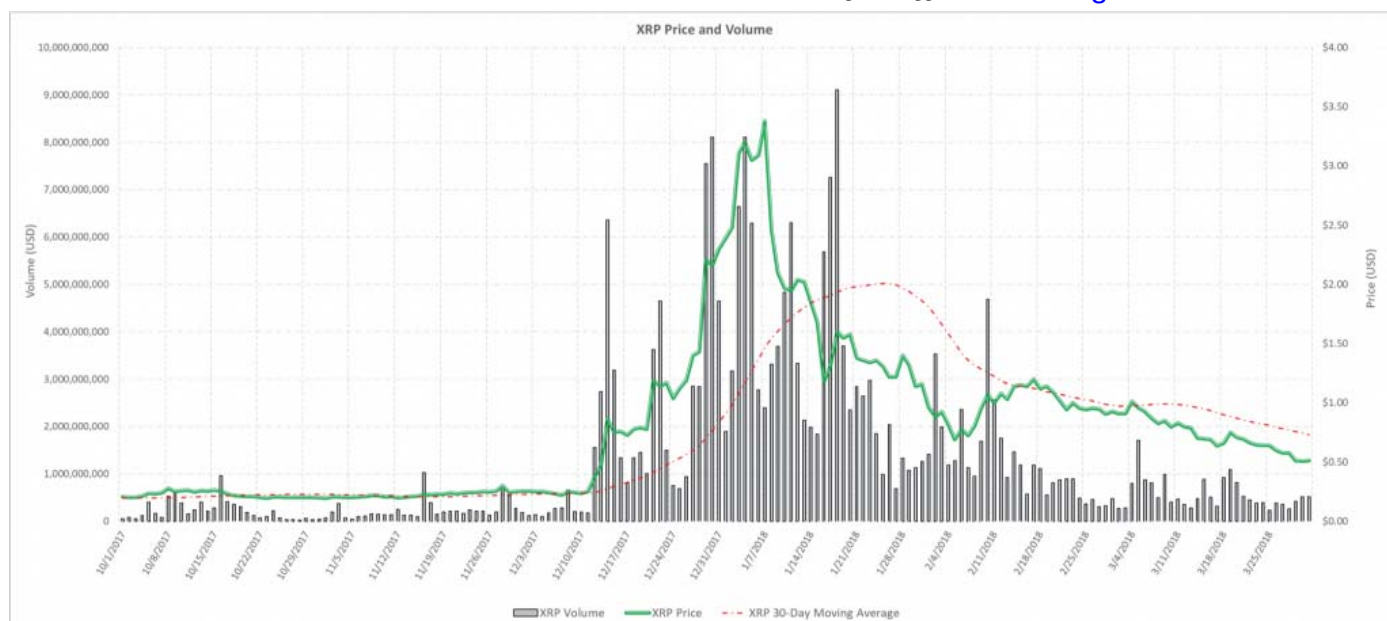
Quarterly Sales

In Q1 2018, market participants purchased \$16.6 million directly from XRP II, LLC — our registered and licensed money service business (MSB). XRP II, LLC is licensed to engage in Virtual Currency Business Activity by the New York State Department of Financial Services. Additionally, the company sold \$151.1 million worth of XRP programmatically, as a small percentage of overall exchange volume. These sales represented 0.095 percent (9.5 basis points) of the \$160.0 billion traded globally in XRP in Q1. Significantly larger volumes of XRP were traded in Q1, particularly during the first half of the quarter, resulting in a notional increase in programmatic sales by Ripple.

Escrow

In Q1 2018, XRP was released out of a cryptographically-secured escrow account (<https://ripple.com/insights/ripple-escrows-55-billion-xrp-for-supply-predictability/>). Three billion XRP was released out of escrow (one billion in January, February and March). However, 2.7 billion XRP was put back into new escrow contracts — 900 million in months 56, 57 and 58. The remaining 300 million XRP are being used in a variety of ways to help invest in the XRP ecosystem.

Market Commentary: A Volatile Quarter, but XRP Market Share Increases

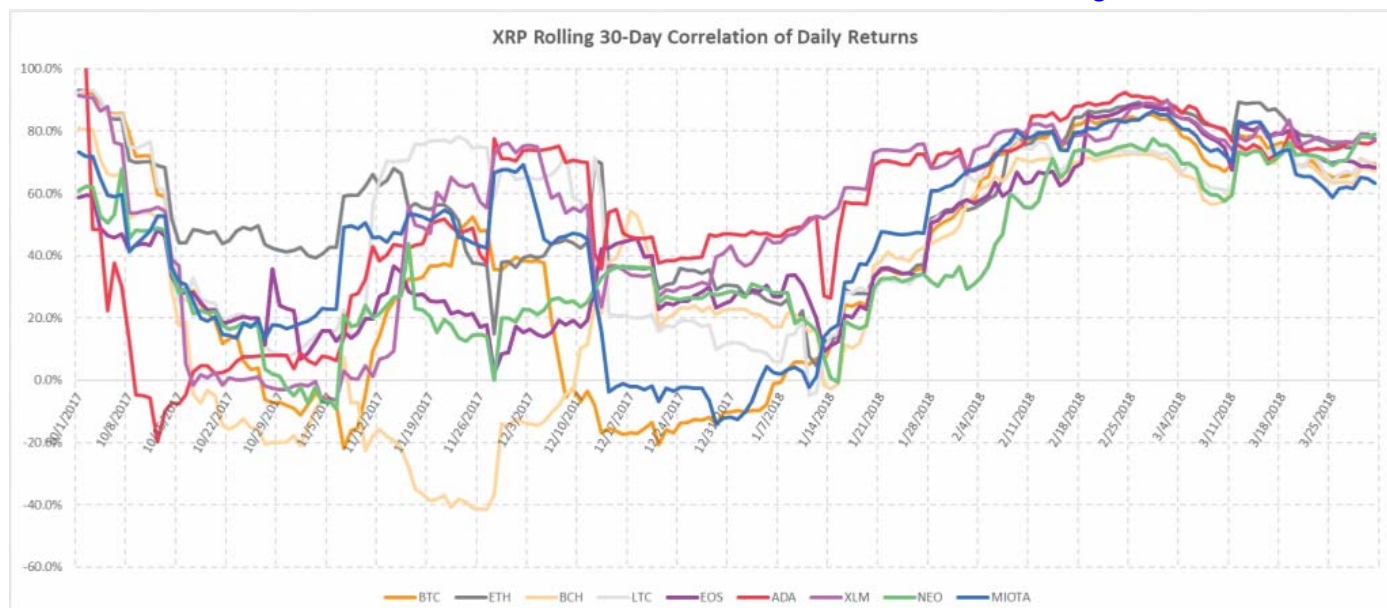


(<https://ripple.com/wp-content/uploads/2014/10/Graph-1.png>)

The rally that began in Q4 2017 continued into the start of the new year, before retracing consistently throughout the remainder of the quarter. The total market capitalization of all digital assets stood at \$603.7 billion at the start of 2018, climbed to \$835.5 billion by January 7, and finished the quarter at \$263.5 billion — a 56.3 percent decline over the course of the quarter.

XRP's Fall Representative of Overall Digital Asset Market

XRP's overall market capitalization mirrored that of the overall digital asset market, though at times it was somewhat exaggerated in comparison. XRP began the quarter at \$1.91 and finished the quarter at \$0.51, a 73 percent drop from January 1. On March 31, 2018, XRP was up exactly 100 percent from the rally that began December 11. Broadly, Q1 market participants did not differentiate between different digital assets. While the Q4 rally was more sequential in nature, with interest in one asset waning as it increased in another, the Q1 retracement was indiscriminate, with the market collectively exiting positions. In fact, on February 25, XRP's minimum 30-day correlation to the other top nine digital assets was 76 percent.



(<https://ripple.com/wp-content/uploads/2014/10/Graph2.png>)

In addition, XRP had its highest volume quarter in history, with a total of \$160.0 billion notional traded.

Market Share of XRP Doubles

Though XRP largely followed broader market price action in Q1, there were some significant deviations. For example, while the total market capitalization of all digital assets was the same on both November 24, 2017 and March 31, 2018, XRP's share of that market capitalization doubled, rising from 3.56 percent to 7.57 percent — a continuation of a trend that first began in 2017.

XRP's share of overall market volume (6.9 percent) also grew significantly compared to its share in Q4 (5.3 percent) and 2017 overall (5.0 percent). Part of the increase in XRP's share of volume was driven by 18 new venues listing XRP in Q1, including both US-based Abra (<https://techcrunch.com/2018/03/15/abra-adds-twenty-cryptocurrencies-to-its-wallet-app/>) and Uphold (<https://ripple.com/insights/xrp-ecosystem-grows-with-new-listing-on-uphold/>). This brought the total number of exchanges that list XRP to more than 60.

XRP's volume was also driven by the extension of more than \$16 million in new XRP loans from XRP II, LLC to market makers. A significant pain point for digital asset liquidity providers is the need to purchase or borrow assets in order to provide both bids and offers. Now, with the ability to secure cost-effective, capital-efficient XRP loans, market makers are less challenged to get

involved in XRP markets. The added flexibility also allows liquidity providers to tighten spreads as their margins aren't hampered by the high costs of sourcing inventory or by the risk of holding significant amounts of inventory.

For Ripple, this additional liquidity is useful for xRapid (<https://ripple.com/solutions/source-liquidity/>) as it increases the capacity of order books to support cross-border payments. Also, incremental liquidity in order books will lower volatility over time, further increasing XRP's ability to provide on-demand liquidity for xRapid.

Important News Moments

Q1 was dominated by headlines across the digital asset market. Those headlines ranged from specific xRapid customer announcements to regulatory developments around the globe.

xRapid

In Q1, Ripple announced five new xRapid pilot customers — Western Union (<http://fortune.com/2018/02/14/ripple-xrp-western-union-money-transfers/>), Cambridge Global Payments (<https://ripple.com/insights/cambridge-use-xrp-faster-global-payments/>), MercuryFX (<http://www.businessinsider.com/ripple-cryptocurrency-xrp-adds-2-financial-services-firms-client-roster-2018-1>), IDT (<http://www.businessinsider.com/ripple-cryptocurrency-xrp-adds-2-financial-services-firms-client-roster-2018-1>) and MoneyGram (<https://www.wsj.com/articles/moneygram-signs-deal-to-work-with-currency-startup-ripple-1515679285>). The pilots, which involve live transactions, have continued to prove that xRapid can lower liquidity costs and dramatically increase payment speed and transparency using XRP. In Q2, Ripple will look to grow the number of xRapid pilots and work to move existing pilots into production.

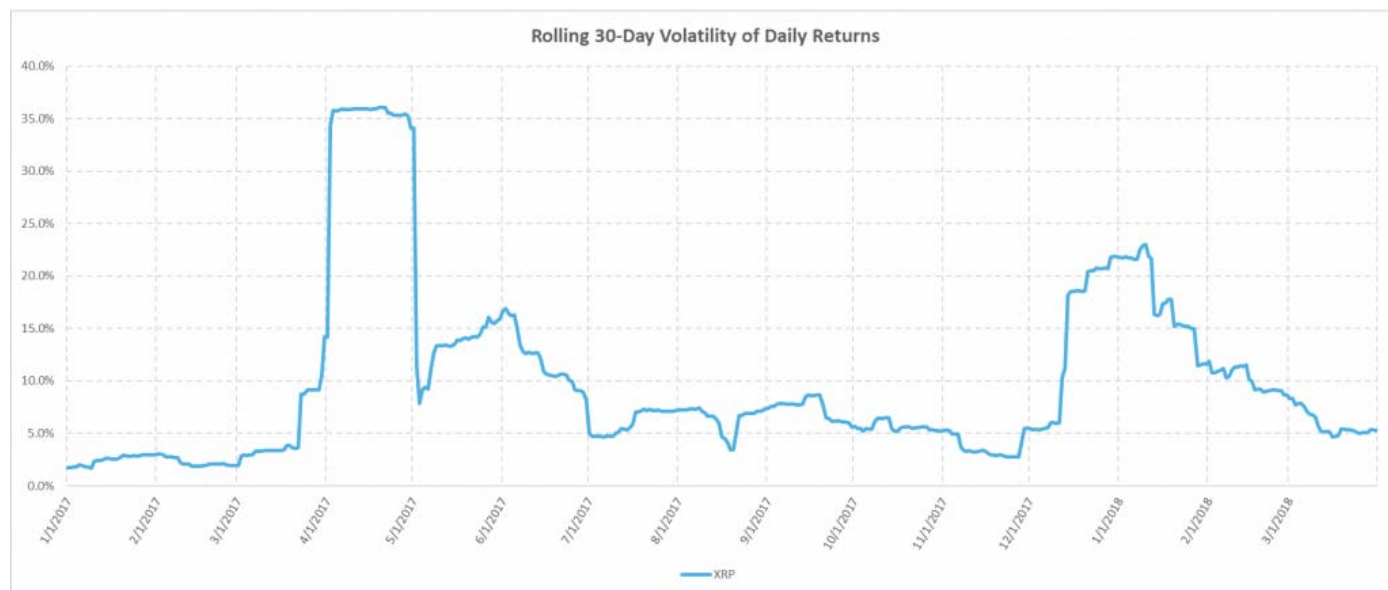
Changes to Major Index Prices

On January 8, Coinmarketcap.com unexpectedly removed South Korean digital asset exchanges from all of its index prices (<https://www.wsj.com/articles/a-crypto-website-changes-its-data-and-100-billion-in-market-value-vanishes-1515443100>). The decision seemed to be motivated by increasing premiums, sometimes as high as 40 percent on the Korean exchanges, which were dislocating prices on the site. The change artificially erased \$100 billion in market value, which resulted in significant market turbulence. While it impacted all digital asset prices, XRP's relatively high share of volume from the South Korean market meant its displayed price dropped

disproportionately versus other top digital assets. XRP fell 19.1 percent versus an average of 7.2 percent for the other top five digital assets by market capitalization on Coinmarketcap.com's index price.

Continued Regulatory Developments

While the Coinmarketcap.com index adjustment drove Q1 volatility initially, the primary driver of price action throughout the quarter seemed to be an anticipation of a more restrictive regulatory environment for digital assets across the globe. Local regulators became increasingly concerned about consumer protection in their respective countries. In early January, rumors swirled about an outright ban (<https://www.reuters.com/article/us-southkorea-bitcoin/uproar-over-crackdown-on-cryptocurrencies-divides-south-korea-idUSKBN1F10YG>) of digital assets in South Korea. Within days of that report, the country's finance minister stated that an outright ban on digital assets was unrealistic (<https://www.reuters.com/article/us-southkorea-bitcoin/south-korea-says-no-plans-to-ban-cryptocurrency-exchanges-uncovers-600-million-illegal-trades-idUSKBN1FK09J>). The mixed reports, coupled with already turbulent market activity, drove 30-day volatility of daily returns to 23 percent on January 10, XRP's second-highest volatility level following its April 2017 run up in price.



(<https://ripple.com/wp-content/uploads/2014/10/Graph3.png>)

China furthered its tougher regulatory stance, increasing the scope of its bans on digital asset trading (<https://www.coindesk.com/pboc-official-calls-for-wider-ban-on-chinese-crypto-trading-report/>). While initial coin offerings (ICOs) and digital asset-to-fiat currency exchange trading had already been banned in China, local regulators expanded the ban to over-the-counter (OTC) trading, digital asset trading on foreign exchanges and providers of online wallet services.

We also saw regulators take action against specific exchanges. In January, the CFTC subpoenaed Bitfinex and Tether (<https://www.bloomberg.com/news/articles/2018-01-30/crypto-exchange-bitfinex-tether-said-to-get-subpoenaed-by-cftc>) to investigate whether Tether had backed each of its digital coins with U.S. dollars held in reserve. And in Japan, regulators engaged Coincheck, which suffered the largest hack in digital asset history (<https://www.forbes.com/sites/outofasia/2018/01/29/tracing-back-stolen-cryptocurrency-xem-from-japans-coincheck/#736803277eb6>), resulting in the loss of \$534 million worth of NEM tokens.

The volatility of January spurred some financial institutions (<https://www.coindesk.com/coinbase-confirms-4-banks-blocking-bitcoin-purchases-on-credit-cards/>) to ban cryptocurrency purchases using their credit cards. Around the same time, Agustín Carstens, general manager for the Bank for International Settlements (BIS), described bitcoin as “a combination of bubble, Ponzi scheme, and an environmental disaster. (<https://www.ft.com/content/78bf5612-0b1a-11e8-839d-41ca06376bf2>)”

Further, many countries called for the G20 to consider how to regulate digital assets at their meeting in March. The Financial Stability Board noted to the G20 that rules are needed to ensure consumer protection, yet said “cryptoassets do not pose risks to global financial stability at this time.”

The G20 ended its March meeting stating (https://back-g20.argentina.gob.ar/sites/default/files/media/communique_g20.pdf), “We acknowledge that technological innovation, including that underlying crypto-assets, has the potential to improve the efficiency and inclusiveness of the financial system and the economy more broadly.” Additionally, the G20 announced it will continue monitoring the technology, collecting more information through the summer to ensure its regulatory recommendations capture risk without stifling innovation.

This viewpoint lays the foundation for a thoughtful regulatory framework.

Additionally, positive developments continued at the country level:

1. **Mexico’s Senate** approved a bill that creates a regulatory framework for fintech, including digital assets. Now awaiting the president’s approval, the bill creates the foundation for greater enterprise adoption (https://ripple.com/ripple_press/ripple-applauds-mexicos-lower-house-of-congress-for-passing-fintech-rules/).

2. The **European Commission** issued a Fintech Action Plan (http://europa.eu/rapid/press-release_IP-18-1403_en.htm?locale=en) that embraces many new technologies. The Commission is studying digital assets and will issue a report on their use cases later this year.
3. The **United Kingdom's** government announced a Cryptoassets Task Force (<https://www.gov.uk/government/news/fintech-sector-strategy-launched-at-international-fintech-conference>) to ensure the country will “be at the forefront of harnessing the potential benefits” while safeguarding against risk.

If you're interested in the last two quarterly reports, you can find Q4 2017 here (<https://ripple.com/insights/q4-2017-xrp-markets-report/>) and Q3 2017 here (<https://ripple.com/xrp/q3-2017-xrp-markets-report/>).

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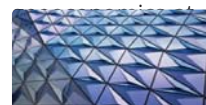


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